

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6705**

**BILL NUMBER:** HB 1820

**NOTE PREPARED:** Dec 27, 2002

**BILL AMENDED:**

**SUBJECT:** Dissolution of Conservancy Districts.

**FIRST AUTHOR:** Rep. Behning

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that evidence that a conservancy district located in Marion County has retired its bonds and satisfied its obligations is prima facie evidence that the conservancy district should be dissolved due to a loss of benefit.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** State expenditures would not be affected since the levy for conservancy districts is not eligible for property tax replacement credits.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See *Explanation of Local Revenues* below.

**Explanation of Local Revenues:** There is one conservancy district in Marion County: the Ben Davis Conservancy. The District had a certified levy of \$825,331 for 2001. The tax rate was \$1.2562 per \$100 of assessed value for taxes payable 2001. (The state does not pay property tax replacement on the district levy.) If the district dissolved, the district would no longer maintain its levy, which would reduce taxes paid by taxpayers located within the district. The district currently has a staff of four full-time people and one part-time employee. Staff primarily focus on maintaining sewer lines that discharge sewage from the district.

***Background Information:*** The Ben Davis area was hindered by the poor permeability of its soil. Development pressures forced the community to address serious drainage problems. In an effort to correct this situation, the Ben Davis Conservancy District was established with its own board of directors and the authority to tax

and issue bonds for the purpose of improving drainage in the area. The district financed drainage improvement with an \$8 M special assessment bond which was paid off in 1999.

**State Agencies Affected:**

**Local Agencies Affected:** Ben Davis Conservancy District in Marion County.

**Information Sources:** Local government database, Department of Local Government Finance, and the Internet; Mary Willoughby, Ben Davis Conservancy District.

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